

1
2
3
4
5
6
7
8 **UNITED STATES DISTRICT COURT**
9 **CENTRAL DISTRICT OF CALIFORNIA**

10
11 SECURITIES AND EXCHANGE
12 COMMISSION,

13 Plaintiff,

14 v.

15 WINDSOR JONES LLC AND
16 ANTHONY COLLINS,

17 Defendants.
18

Case No. 2:23-cv-00841-DSF-SK

**DEFAULT JUDGMENT AS TO
DEFENDANTS WINDSOR JONES
LLC AND ANTHONY COLLINS**

19 The Court having granted Plaintiff Securities and Exchange Commission's
20 motion for default judgment against Defendants Windsor Jones LLC and Anthony
21 Collins,

22 I.

23 IT IS ORDERED, ADJUDGED, AND DECREED that Defendants are
24 permanently restrained and enjoined from violating, directly or indirectly, Section
25 10(b) of the Securities Exchange Act of 1934 (the Exchange Act), 15 U.S.C. § 78j(b),
26 and Rule 10b-5, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of
27
28

1 interstate commerce, or of the mails, or of any facility of any national securities
2 exchange, in connection with the purchase or sale of any security:

- 3 (a) to employ any device, scheme, or artifice to defraud;
- 4 (b) to make any untrue statement of a material fact or to omit to state a
5 material fact necessary in order to make the statements made, in the light
6 of the circumstances under which they were made, not misleading; or
- 7 (c) to engage in any act, practice, or course of business that operates or
8 would operate as a fraud or deceit upon any person.

9 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
10 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
11 binds the following who receive actual notice of this Default Judgment by personal
12 service or otherwise: (a) Defendants' officers, agents, servants, employees, and
13 attorneys; and (b) other persons in active concert or participation with Defendants or
14 with anyone described in (a).

15 II.

16 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants
17 are permanently restrained and enjoined from violating Section 17(a) of the Securities
18 Act of 1933 (the Securities Act), 15 U.S.C. § 77q(a), in the offer or sale of any
19 security by the use of any means or instruments of transportation or communication
20 in interstate commerce or by use of the mails, directly or indirectly:

- 21 (a) to employ any device, scheme, or artifice to defraud;
- 22 (b) to obtain money or property by means of any untrue statement of a
23 material fact or any omission of a material fact necessary in order to
24 make the statements made, in light of the circumstances under which
25 they were made, not misleading; or
- 26 (c) to engage in any transaction, practice, or course of business that operates
27 or would operate as a fraud or deceit upon the purchaser.

28 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as

1 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also
2 binds the following who receive actual notice of this Default Judgment by personal
3 service or otherwise: (a) Defendants' officers, agents, servants, employees, and
4 attorneys; and (b) other persons in active concert or participation with Defendants or
5 with anyone described in (a).

6 III.

7 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants
8 are permanently restrained and enjoined from violating Section 5 of the Securities
9 Act, 15 U.S.C. § 77e, by directly or indirectly, in the absence of any applicable
10 exemption:

- 11 (a) Unless a registration statement is in effect as to a security, making use of
12 any means or instruments of transportation or communication in
13 interstate commerce or of the mails to sell such security through the use
14 or medium of any prospectus or otherwise;
- 15 (b) Unless a registration statement is in effect as to a security, carrying or
16 causing to be carried through the mails or in interstate commerce, by any
17 means or instruments of transportation, any such security for the purpose
18 of sale or for delivery after sale; or
- 19 (c) Making use of any means or instruments of transportation or
20 communication in interstate commerce or of the mails to offer to sell or
21 offer to buy through the use or medium of any prospectus or otherwise
22 any security, unless a registration statement has been filed with the
23 Commission as to such security, or while the registration statement is the
24 subject of a refusal order or stop order or (prior to the effective date of
25 the registration statement) any public proceeding or examination under
26 Section 8 of the Securities Act, 15 U.S.C. § 77h.

27 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as
28 provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also

binds the following who receive actual notice of this Default Judgment by personal service or otherwise: (a) Defendants' officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendants or with anyone described in (a).

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Section 21(d)(2) of the Exchange Act, 15 U.S.C. § 78u(d)(2), and Section 20(e) of the Securities Act, 15 U.S.C. § 77t(e), Defendant Collins is prohibited from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act, 15 U.S.C. § 78l, or that is required to file reports pursuant to Section 15(d) of the Exchange Act, 15 U.S.C. § 78o(d).

V.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Defendants are liable, jointly and severally, for disgorgement of \$3,961,437, together with prejudgment interest in the amount of \$544,098. Defendants Windsor Jones and Collins are each liable for civil penalties in the amounts of \$1,116,140 and \$223,229, respectively, pursuant to Section 20(d) of the Securities Act, 15 U.S.C. § 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). Defendants shall satisfy these obligations by paying the following amounts to the Securities and Exchange Commission within 30 days after entry of this Default Judgment:

Defendants	Obligation
Windsor Jones and Collins (disgorgement)	\$4,505,535
Windsor Jones and Collins (prejudgment interest)	\$544,098
Winsor Jones (civil penalty)	\$1,116,140
Collins (civil penalty)	\$223,229

1 Defendants may transmit payment electronically to the Commission, which
2 will provide detailed ACH transfer/Fedwire instructions upon request. Payment may
3 also be made directly from a bank account via Pay.gov through the SEC website at
4 <http://www.sec.gov/about/offices/ofm.htm>. Defendants may also pay by certified
5 check, bank cashier's check, or United States postal money order payable to the
6 Securities and Exchange Commission, which shall be delivered or mailed to

7 Enterprise Services Center

8 Accounts Receivable Branch

9 6500 South MacArthur Boulevard

10 Oklahoma City, OK 73169

11 and shall be accompanied by a letter identifying the case title, civil action number,
12 and name of this Court; Defendant's name in this action; and specifying that payment
13 is made pursuant to this Default Judgment.

14 Defendants shall simultaneously transmit photocopies of evidence of payment
15 and case identifying information to the Commission's counsel in this action. By
16 making this payment, Defendants relinquish all legal and equitable right, title, and
17 interest in such funds and no part of the funds shall be returned to Defendants.

18 The Commission may enforce the Court's judgment for disgorgement and
19 prejudgment interest by using all collection procedures authorized by law, including,
20 but not limited to, moving for civil contempt at any time after 30 days following entry
21 of this Default Judgment.

22 The Commission may enforce the Court's judgment for penalties by the use of
23 all collection procedures authorized by law, including the Federal Debt Collection
24 Procedures Act, 28 U.S.C. § 3001 *et seq.*, and moving for civil contempt for the
25 violation of any Court orders issued in this action. Defendants shall pay post
26 judgment interest on any amounts due after 30 days of the entry of this Default
27 Judgment pursuant to 28 U.S.C. § 1961. The Commission shall hold the funds,
28 together with any interest and income earned thereon pending further order of the

1 Court.

2 The Commission may propose a plan to distribute the Fund subject to the
3 Court's approval. Such a plan may provide that the Fund shall be distributed pursuant
4 to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002.
5 The Court shall retain jurisdiction over the administration of any distribution of the
6 Fund and the Fund may only be disbursed pursuant to an Order of the Court.

7 Regardless of whether any such Fair Fund distribution is made, amounts
8 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as
9 penalties paid to the government for all purposes, including all tax purposes. To
10 preserve the deterrent effect of the civil penalty, Defendants shall not, after offset or
11 reduction of any award of compensatory damages in any Related Investor Action
12 based on Defendants' payment of disgorgement in this action, argue that they are
13 entitled to, nor shall they further benefit by, offset or reduction of such compensatory
14 damages award by the amount of any part of Defendants' payment of a civil penalty
15 in this action (Penalty Offset). If the court in any Related Investor Action grants such
16 a Penalty Offset, Defendants shall, within 30 days after entry of a final order granting
17 the Penalty Offset, notify the Commission's counsel in this action and pay the amount
18 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the
19 Commission directs. Such a payment shall not be deemed an additional civil penalty
20 and shall not be deemed to change the amount of the civil penalty imposed in this
21 Default Judgment. For purposes of this paragraph, a "Related Investor Action" means
22 a private damages action brought against Defendants by or on behalf of one or more
23 investors based on substantially the same facts as alleged in the Complaint in this
24 action.

25 VI.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for
27 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,
28 11 U.S.C. § 523, the allegations in the Complaint are true and admitted by

1 Defendants, and further, any debt for disgorgement, prejudgment interest, civil
2 penalty or other amounts due by Defendants under this Default Judgment or any other
3 judgment, order, consent order, decree or settlement agreement entered in connection
4 with this proceeding, is a debt for the violation by Defendants of the federal securities
5 laws or any regulation or order issued under such laws, as set forth in Section
6 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

7 VII.

8 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court
9 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this
10 Default Judgment.

11 Date: June 25, 2024

12
13 

14

Dale S. Fischer
15 United States District Judge
16
17
18
19
20
21
22
23
24
25
26
27
28